

SENATE BILL REPORT

SB 6446

As of January 31, 2014

Title: An act relating to payments in lieu of taxes on county game lands.

Brief Description: Concerning payments in lieu of taxes on county game lands.

Sponsors: Senators Schoesler, Hewitt and Ranker.

Brief History:

Committee Activity: Natural Resources & Parks: 1/30/14.

SENATE COMMITTEE ON NATURAL RESOURCES & PARKS

Staff: Bonnie Kim (786-7316)

Background: PILT refers to payments made in lieu of local property taxes. Because property tax does not apply to property owned by state agencies, the Washington Department of Fish and Wildlife (WDFW) pays PILT to certain counties that have elected to receive it. A receiving county must distribute PILT to local taxing districts based on the location of the property.

For the 2011-13 and 2013-15 fiscal biennia, the Legislature has fixed the amount of PILT paid to each county based on the PILT received in 2009. Prior to 2012, counties chose one of the following two formulas to calculate WDFW PILT:

- the tax that would be due if the property were taxed as open space land; or
- the greater of either \$0.70 per acre or the PILT amount paid in 1984. This choice requires that PILT was received in 1984.

Game lands eligible for WDFW PILT includes all WDFW-owned tracts of 100 or more acres used for wildlife habitat and public recreational purposes. Lands purchased with federal funds for wildlife habitat, public access, or recreation purposes in the Snake River drainage basin are also eligible. WDFW buildings, structures, facilities, game farms, fish hatcheries, tidelands, and public fishing areas of less than 100 acres are ineligible.

If a county elects to receive PILT, it must track the amount of fees, fines, and forfeitures received from fish and game violations and send an equivalent amount to the State Treasurer for deposit into the general fund. Counties need not track the fees, fines, and forfeitures information while the rate remains frozen at the 2009 level.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: Effective July 1, 2015, a county may elect to receive WDFW PILT on game lands, except water access sites, regardless of acreage.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on July 1, 2015.

Staff Summary of Public Testimony: PRO: This bill is a step forward in bringing a level of equity. Stakeholders would like to see the Legislature address the state property tax exemption for improvements. This bill helps ease the tax burden the current system facilitates. There is a desire to discuss this issue next session with respect to classification of open space land and funding. This bill is in line with the Department of Revenue's (DOR's) recommendations to make PILT more consistent and equitable. This bill could be amended to incorporate DOR's other recommendations to calculate PILT by the open space method only, remove the county election between PILT and game violation fines and forfeitures, and require WDFW to make payments through the State Treasurer.

Persons Testifying: PRO: Jack Field, WA Cattlemen's Assn.; Clay Sprague, WDFW; Laura Merrill, WA State Assn. of Counties; Tom Bugert, WA Wildlife and Recreation Coalition.